

SERVICE DATE – JANUARY 28, 2026

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. FD 36903

WICHITA, TILLMAN & JACKSON RAILWAY COMPANY—LEASE RENEWAL
EXEMPTION—UNION PACIFIC RAILROAD COMPANY

Decided: January 28, 2026

On January 9, 2026, Wichita, Tillman & Jackson Railway Company (WTJR) filed a verified notice of exemption pursuant to 49 C.F.R. § 1180.2(d)(4) to permit WTJR to renew its lease of approximately 16.53 miles of rail line from Union Pacific Railroad Company (UP). The line extends from Milepost 0.99, in Wichita Falls, Tex., to Milepost 17.54, at the Texas-Oklahoma state line near Burkburnett, Tex. (the Line).

According to WTJR, it has leased the Line from UP (or its predecessor) since 1991. (Notice 3).¹ On March 4, 2016, pursuant to 49 C.F.R. § 1150.41, the Board approved a new lease agreement dated December 11, 2015 (December 2015 Agreement), pursuant to which UP continued leasing the Line to WTJR. Wichita, Tillman & Jackson Ry.—Lease Exemption Containing Interchange Commitment—Union Pac. R.R., FD 35998, slip op. at 1 (STB served Mar. 4, 2016).² WTJR disclosed at the time that the December 2015 Agreement contains an interchange commitment, and it provided the information regarding the interchange commitment required by 49 C.F.R. § 1150.43(h). Id., slip op. at 1-2.

Although WTJR's January 9 Notice seeks renewal of the December 2015 Agreement, which contained an interchange commitment, the Notice states: "The Renewal of Lease Agreement does not contain a provision that would limit future interchange with a third-party connecting carrier." Notice 4. WTJR's reference to the "Renewal of Lease Agreement" is a reference to Exhibit 2 to its Notice, a one-page document extending the term of the December 2015 Agreement.

Section 1180.4(g)(3)(i) requires that when a party files a notice under Section 1180.2(d)(4), "the filing party must certify whether a proposed acquisition or operation of a rail line involves a provision or agreement that may limit future interchange with a third-party

¹ See Wichita, Tillman & Jackson Ry.—Lease & Operation Exemption—Mo. Pac. R.R., FD 31787 (ICC served Jan. 8, 1991); Wichita, Tillman & Jackson Ry.—Lease Renewal Exemption—Union Pacific R.R., FD 35452 (STB served Dec. 23, 2010).

² The verified notice in Docket No. FD 35998 states the Line is approximately 16.55 miles, while the verified notice filed in this docket states that it is approximately 16.53 miles. Any revised notice or supplemental filing should fix the length or explain the discrepancy.

connecting carrier” 49 C.F.R. 1180.4(g)(3)(i). Although the one-page Renewal of Lease Agreement does not itself contain an interchange commitment in its text, it appears that the proposed lease extension “involves” an interchange commitment because it renews the December 2015 Agreement, thereby imposing the interchange commitment for another ten-year term. See Notice, Ex. 2 (“the remaining terms, covenants, provisions, and conditions of the Lease Agreement shall remain in full force and effect”). Accordingly, this notice appears to be subject to the requirement in 49 C.F.R. 1180.4(g)(3)(i) to provide additional information.

If the interchange commitment in the December 2015 Agreement will be renewed by the Renewal of Lease Agreement, WTJR will be required to file a revised notice with appropriate changes and supplements. WTJR should provide, in the revised notice or in separate confidential filings, as appropriate, all supporting information identified in Section 1180.4(g)(3)(i). The revised notice should also reflect “[a] change in the case caption so that the existence of an interchange commitment is apparent from the case title,” as required by Section 1180.4(g)(3)(i)(H).

If the interchange commitment in the December 2015 Agreement will not be renewed by the Renewal of Lease Agreement, WTJR will be required to file a supplement to its notice explaining this, with citations to applicable provisions of the December 2015 Agreement or other documents.

It is ordered:

1. WTJR is directed to file a revised notice or supplement, as discussed above.
2. The effective date of the exemption in FD 36903 is postponed until further order of the Board.
3. This decision is effective on its date of service.

By the Board, Anika S. Cooper, Chief Counsel, Office of Chief Counsel.